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GOVERNMENT OF MYSORE.

FINANCE DEPARTMENT.

APPROPRIATION REPORT

ON

THE ACCOUNTS

OF

THE GOVERNMENT OF MYSORE

FOR

1907-08.

BY

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APPROPRIATION REPORT

ON

THE ACCOUNTS OF THE GOVERNMENT OF MYSORE

FOR

1907-1908.

General Review.

(NOTE.—Throughout this report the figures given are, unless otherwise indicated, in thousands of Rupees omitting 000.)

Comparison of budget figures with actuals for 1907-08.

The Budget for the year 1907-08 provided for a small surplus of 40 exclusive of the net revenue from the Cauvery Power Scheme, but in the actual result it was better by 13,80. Including the Cauvery Power Reserve the actual total surplus was 26,50 against the estimate of 10,74 as shown below. In estimating the Railway Receipts and Expenditure of the year, the gross receipts were shown on the Revenue side and the Working Expenses on the Expenditure side; but in the course of the year it was proposed to revert to the old system of showing only the net receipts as being the more correct method of representing the true earnings of the Railways. In the accounts for the year the Working Expenses were accordingly eliminated. In order, however, to have a proper comparison of the estimate and account figures it has been found necessary to deduct such expenses from both sides of the estimate.

	Budget	Actuals
Total receipts	2,44,40	...
Deduct Working Expenses of Railways	18,32	...
Balance ...	2,26,08	2,41,41
Total Expenditure	2,33,66	...
Deduct Working Expenses of Railways	18,32	...
Balance ...	2,15,34	2,14,92
Surplus ...	10,74	26,49
Deduct net revenue from the Cauvery Power Scheme ...	10,34	12,30
Balance Ordinary Surplus ...	40	14,19

Revenue Heads.

2. The year on the whole was a favorable one and its effects are written large over all our revenue returns and more especially in the all-important item of Land Revenue.

Apart from the improvement in the Revenues from the *Cauvery Power Scheme* and *Railways*, there were large increases in the receipts under other heads also, notably under *Forest* and *Excise* and they were due chiefly to the favorable rates secured for sandalwood and for the leases for the Minor Forest Produce and to the enhancement of the tax on toddy trees and the increased revenue from arrack. The realisations under *Interest* were better owing to the fresh investments made in Government paper at the commencement of the year and the recovery of arrear interest on 50 lakhs of such paper. Under Departmental receipts the fee-income from schools was greater (fees in primary classes were abolished only from 1908-09) and some of the arrears of the contribution due from the District and Municipal Funds towards Local Fund Dispensaries were adjusted during the year. The income from the *Cauvery Power Scheme* and from the *Railways* exceeded the Budget anticipations and this was due to the larger consumption of electric power by the Gold Mines and less remissions for stoppages and to the large improvement in the traffic receipts of the Mysore-Harihar line.

Expenditure.

3. On the expenditure side the large savings under some of the heads were counterbalanced by the excesses under others, the net result of which was a saving of 42. Of the decreases that under *Forest* was chiefly on account of difficulties experienced in procuring the required labour and the means of transporting timber. The savings under *Refunds and Drawbacks, Interest* and *Miscellaneous* charges were comparatively small. The charges under *Salaries and Expenses of Civil Departments* were slightly less and were due chiefly to savings in Establishment and in the grants for Supplies and Services of the several Departments; and this saving would have been considerably more but for the payment of 5 lakhs of the building grant to the Indian Institute of Science against the estimate of only 2 lakhs. On the other hand the expenses of the Civil Departments would have exceeded the estimate by about 1,50 had not expenditure to the extent of 1,87 been transferred from this group to the new head opened, *viz., Charges against Mining Revenue.* The short expenditure under *Military* was caused by savings chiefly under Salaries and Establishment, Supplies and Services, and a slight overestimate of Military Pension Charges.

As regards the increases, the causes of the apparently large excess under *Charges against Revenue* and the *Cauvery Power Scheme* have been already explained. Those under *Land Revenue* and *Excise* were caused by the payment of arrears of potgi allowances and arrears of remuneration to contractors for carrying liquor from Distillery to Bonded Depots. The increase in the Public Works Expenditure was in connection with the preliminary investigation of the project for a large reservoir across the Cauvery near Belgola.

4. The net result of the above and of a number of other variations which, on account of their unimportance need not be explained here, was an improvement of 15,75 over the Estimate.

Change in the form of accounts.

5. During the year under report the following changes were made in the classification and in the method of exhibiting the Railway Receipts:—

(1) The whole of the charges connected with the Mining Revenue was brought together under a new Major head, 10—*Charges against Mining Revenue* in terms of the Government Order No. Fl. 6050—G. F. 280-04-55, dated the 4th February 1907. This change could not be effected in the Budget Estimates for want of the requisite details, but it was made in the Revised.

(2) The other change is that already mentioned in the opening paragraph of this Report, *viz.*, the reversion to the old system of deducting the Working Expenses from the gross receipts and showing the net receipts as revenue. This system was adopted as being the more convenient mode of exhibiting the true earnings.

6. The following summary gives the Budget and Account figures for the year 1907-08 which are reviewed in this Report. The details will be found in the appended statement.

Receipts Budget	Receipts Accounts		Out-goings Budget	Out-goings Accounts
1,71,68	1,81,17	Principal Heads of, and Direct Demands on, Revenue ...	31,83	31,30
15,50	15,83	Mining Revenue	18	1,98
5,52	7,07	Interest	3,15	2,96
...	...	Palace	19,40	19,40
3,97	4,40	Civil Departments	51,00	50,60
1,47	1,61	Miscellaneous	49,02	48,94
30	31	Military	13,76	12,90
...	...	Famine Relief and Insurance	2,00	2,00
7,93	9,42	State Railways—Revenue Account	7,20	7,19
3,71	4,02	Public Works (including Construction of Railways) ...	32,14	32,37
16,00	17,58	Cauvery Power Scheme	5,66	5,28
2,26,08	2,41,41	Total ...	2,15,34	2,14,92
		Other Transactions.		
40	14,19	Surplus, ordinary	...	...
10,34	12,30	Appropriation for repayment of Cauvery Power Scheme Capital	...	...
...	1	Adjustments	...	...
...	...	Capital outlay not charged to Revenue	13,94	12,81
...	...	Permanent Debt—Discharged	2	1
5,55	6,24	Unfunded Debt	...	...
...	...	Deposits and Advances	7,09	4,81
...	...	Advances and Loans	70	5,07
...	...	Remittances	...	20
...	...	His Majesty's Treasury	10	16
99,06	99,06	Cash balance on 1st July 1907	...	...
...	...	Cash balance on 30th June 1908	93,50	1,08,74
1,15,35	1,31,80	Total ...	1,15,35	1,31,80

Comparison of Accounts with Budget Estimates of 1907-08.

7. The following figures exhibit the differences in the net accounts between the Budget and the Actuals :—

Statement showing the net Revenue and Expenditure for 1907-08.

Revenue	Estimate	Actuals	Expenditure	Estimate	Actuals
I. Land Revenue, etc.—			1. Cost of Revenue Collection—		
			(1) Land Revenue (excluding District Administration) ...	10,22	10,56
1. Land Revenue ...	97,86	1,02,20	(2) Forest ...	7,33	6,64
			(3) Stamps ...	26	27
			(4) Excise ...	3,18	3,30
			(5) Customs ...	1	2
2. Forest ...	20,49	22,76	(6) Registration ...	85	82
Total ...	1,18,35	1,24,96	Total ...	21,85	21,61
II. Taxation—			2. Civil Service—		
			(1) Palace ...	19,40	19,40
1. Stamps ...	7,61	7,76	(2) District Administration	7,76	7,59
			(3) General Administration	6,72	6,67
2. Excise ...	38,68	41,56	(4) Law and Justice ...	9,34	9,11
			(5) Police ...	9,67	8,93
3. Customs ...	...	3	(6) Education ...	9,63	12,17
			(7) Muzrai ...	3,35	3,35
4. Assessed Taxes ...	3,30	3,17	(8) Medical ...	5,67	4,44
			(9) Scientific and other Minor Departments ...	2,65	1,53
5. Registration ...	1,36	1,49	(10) Civil Works ...	24,66	23,63
Total ...	50,95	54,01	Total ...	98,85	96,82

Revenue		Estimate	Actuals
III. Mining Royalty and Leases...		15,32	13,85
IV. Debt Services, etc.—			
Interest, etc.	...	2,37	4,11
V. Commercial Services— Revenue Account—			
Cauvery Power Scheme...		10,76	13,06
State Railways	...	73	2,23
Total	...	11,49	15,29
Grand Total	...	1,98,48	2,12,22

Expenditure		Estimate	Actuals
3. Miscellaneous—			
(1) Pension, etc.	...	6,67	7,06
(2) Famine Relief	...	2,00	2,00
(3) Miscellaneous	...	3,60	2,99
(4) Stationery and Printing		2,12	2,18
Total	...	14,39	14,23
4. Army and Defence—			
(1) Subsidy to Imperial Government	...	35,00	35,00
(2) Local Service and other Regiments	...	13,46	12,59
(3) Military Works	...	27	26
Total	...	48,73	47,85
5. Commercial Services—			
(a) Capital outlay—			
(1) Railways	...	3,50	4,46
(2) Cauvery Power Scheme	...	42	76
Total	...	3,92	5,22
Grand Total	...	1,87,74	1,85,73

NOTE.—In this statement both the Budget and Account figures are net, *i.e.*, on revenue side the gross figures *minus* refunds are shown, while on the charge side the gross expenditure *minus* departmental receipts are given. The revenue from *Salt* has been deducted from miscellaneous expenditure as usual.

8. The more important variations in the actuals as compared with the Budget Estimates have been already explained in paras 2 and 3 above, while the less important ones are explained later on under the heads concerned.

Comparison with the year 1906-07.

9. The comparison in respect of the Revenue with the year 1906-07 is as under:—

	1906-07	1907-08	Difference More +, less —
Principal Heads of Revenue	1,75,42	1,81,17	+5,75
Mining Revenue	16,47	15,83	—64
Interest	3,62	7,07	+3,45
Civil Departments	4,00	4,40	+40
Miscellaneous	1,61	1,61	...
Military	28	31	+3
State Railways	9,06	9,42	+36
Public Works Department	3,30	4,02	+72
Cauvery Power Scheme	20,11	17,58	—2,53
Total ...	2,33,87	2,41,41	+7,54

10. The important variations under the Principal Heads of Revenue were the following:—

	1906-07	1907-08	Difference More +, less—
Land Revenue	1,00,31	1,03,80	+3,49
Forest	19,16	22,77	+3,61
Excise	39,77	41,83	+2,06
Assessed Taxes	3,30	3,17	—13
Sayer Customs	3,68	3	-3,65
Salt	18	10	—8
Stamps	7,58	7,98	+40
Registration	1,44	1,49	+5
Total ...	1,75,42	1,81,17	+5,75

11. The large increase under *Land Revenue* was mostly due to the collection of suspended revenue, while that under *Forest* was the result of better rates secured for sandalwood. The increase under *Excise* was the combined effect of an increase of revenue on arrack and enhanced toddy tree-tax. The revenue under *Sayer Customs* was almost *nil* owing to the abolition of the *halat* on supari. The Stamp Revenue showed a small increase consequent on the larger sale of General and Court-fee Stamps.

The *Mining Revenue* was slightly better and the improvement was solely in the rent realised on prospecting lands.

The large increase under *Interest* was due to the additional investment made and the recovery of arrears.

The improvement over the estimate in the Receipts of the Civil Departments was the net result of a slight falling off under *Courts of Law* and of increases in the fee-income from schools and in the amount of contributions on account of Local Fund Dispensaries adjusted during the year.

The deterioration in the Revenue from the *Cauvery Power Scheme* was due to the levy of the reduced rate of £10 per H. P., for the I Installation Power in terms of the contract with the Mining Companies. The Railway receipts were higher consequent on the development of traffic on the Mysore-Harihar line. The increase in the Public Works Revenue was the result, partly of a nominal credit of the contribution towards the maintenance charges of the Chamarajendra Water Works and partly of larger realisations from sale of water to the Mines.

12. A similar comparison as regards expenditure is made below :—

	1906-07	1907-08	Difference More +, less—
Direct Demands on Revenue	31,50	31,30	—20
Mining Revenue	15	1,98	+1,83
Interest	3,08	2,96	—12
Palace	19,40	19,40	...
Salaries and Expenses of Civil Departments ...	48,75	50,60	+1,85
Miscellaneous Civil Charges	49,51	48,94	—57
Military	13,64	12,90	—74
Famine Relief and Insurance	2,00	2,00	...
State Railways Revenue Account	7,11	7,19	+8
Public Works Department, including construction of Railways	34,21	32,37	—1,84
Cauvery Power Scheme	4,57	5,28	+71
Total ...	2,13,92	2,14,92	+1,00

13.—Under Direct Demands on Revenue, the small excesses under *Land Revenue* and *Excise* were more than counterbalanced by the savings under *Refunds and Drawbacks* and *Forest*.

The large increase under *Charges against Mining Revenue* was the result of the arrangement made for the first time during the year of bringing together under one head the whole of the expenditure connected with this Revenue.

Under *Salaries and Expenses of the Civil Departments*, the increase was caused by the special payment of 5 lakhs of the Building Grant to the Indian Institute of Science.

The saving in the *Miscellaneous Civil Charges* was in consequence of the reduced grant provided for contribution to the Mysore City Improvement Fund.

The excess under the *Cauvery Power Scheme* and the *State Railways Revenue Account* were chiefly in the charges on account of Interest on Debt which increase with the increase in the Capital Outlay. Under Public Works the expenditure in 1907-08, though large, was slightly less than the very high figures of 1906-07.

Appropriation Audit.

14. No additional grant was sanctioned during the year. The following statement shows the excess over Budget grants still requiring sanction for which additional allotments have not been made by re-appropriation :—

Major and minor heads of account	Amount of excess expenditure	Already sanctioned		Amount of excess requiring sanction	Remarks in explanation of excess
		Amount	Government Order No. and date		
2. Land Revenue— Remuneration to Shanbhogs and Patels (55)	55	...	.....	55	Due to payment of arrears of previous years. *Vide* paragraph 28.
10. Charges against Mining Revenue— Cost of Supervision (82), Law and Justice (23), Police (63), Education (2), Medical (17)	1,87	...	.....	1,87	This excess is only nominal as it is due to the change made in classification. *Vide* paras 5 and 36.
13. Profit or Loss— A. Loss on Investments (2)	2	...	.....	2	Due to the payment of income-tax on interest realized on the additional investments made in Government of India Securities. *Vide* paragraph 44.
18. Education— University (3,00)	3,00	...	.....	3,00	Owing to the payment of the full amount of the building grant promised for the Indian Institute of Science as ordered by Government in their Order No. Fl. 6792-4—Gen. Fin. 253-07, dated 29th June 1908.
21. Scientific and other Minor Departments— Public Exhibitions and Fairs (3), Census (1)	4	...	.....	4	The excess under Public Exhibitions and Fairs is due to additional charges sanctioned for the Industrial and Agricultural Exhibition, Mysore, and admitted in audit as per Government Order No. R. 1109-47—Agri. 17-07-102, dated 19th August 1908; and that under Census is due to the payment of arrears of Quinquennial Cattle Census charges in the Bangalore District and admitted in audit apparently under the authority of Government Order No. R. 4111-3—Agri. 23-05-22, dated 8th January 1908.
34. Construction of Railways—	96	...	.....	96	Due to the execution of urgent capital works by the Railway Company at the latter part of the year. *Vide* paragraph 80.

ABSTRACT OF EXPENDITURE.

	Budget	Actuals	Net more +, less —
Total Civil and Military Expenditure ...	1,70,34	1,70,08	— 26
Public Works	45,00	44,84	— 16
Grand Total ...	2,15,34 *	2,14,92	- 42

* Excluding 18,32, being the working expenses of State Railways.

Amount under objection.

15. The total amount under objection at the end of October 1908 was 2,20. The following table gives the distribution of this total by districts :—

Treasuries	Refunds	Land Revenue	Excise	Stamps	General Administration	Law and Justice	Police	Education	Medical	Scientific and other Minor Departments	Superannuation allowances and Pensions	Miscellaneous	Military	Total
State Huzur Treasury...	...	...	...	...	1	...	...	...	...	2	...	1	...	4
Bangalore ...	...	...	1	...	...	...	1	4	2	...	...	...	...	8
Kolar ...	...	24	...	...	...	...	3	1	1	1	...	...	...	30
Tumkur ...	2	5	...	...	...	...	...	...	...	1	13	...	5	26
Shimoga ...	..	1	...	...	...	...	...	...	1	...	...	...	...	2
Kadur ...	...	12	...	...	...	...	...	...	...	...	...	...	...	12
Chitaldrug ...	...	2	...	...	...	...	...	...	...	1	...	...	...	3
Mysore ...	...	61	...	1	1	5	2	1	4	14	...	23	...	1,12
Hassan ...	...	21	...	...	...	...	1	...	...	1	...	...	...	23
Total ...	2	1,26	1	1	2	5	7	6	8	20	13	24	5	2,20

16. The following is a statement showing the nature of objections under each head of account :—

	Amount
1. Refunds and Drawbacks—	
Want of Government sanction	1
Want of sub-vouchers	1
Total ...	2
2. Land Revenue—	
Want of bills from districts	1,14
Want of sub-vouchers	2
Want of detailed contingent bills	4
Want of complete information	5
Want of Government sanction and countersignature, etc. ...	1
Total ...	1,26
4. Excise—	
Want of detailed contingent bills and complete information ...	1
8. Stamps—	
Want of bills from districts	1
15. General Administration—	
Want of sub-vouchers	1
Want of bills from districts	1
Total ...	2
16. Law and Justice—	
Want of bills from districts	3
Want of detailed contingent bills	2
Total ...	5
17. Police—	
Want of bills from districts	3
Want of certain information	2
Want of detailed contingent bills	2
Total ...	7
18. Education—	
Want of complete information	4
Want of Government sanction	1
Want of detailed contingent bills	1
Total ...	6
20. Medical—	
Want of bills from districts	1
Want of detailed contingent bills	7
Total ...	8
21. Scientific and other Minor Departments—	
Want of sub-vouchers	1
Want of detailed contingent bills	18
Want of complete information	1
Total ...	20
24. Superannuation Allowances and Pensions—	
Want of vouchers from districts	13

26. Miscellaneous—

Want of bills from districts	23
Want of detailed contingent bills	1
Total ..	24

27. Military—

Want of bills from districts	5
Grand Total ...	2,20

SECTION A.—PRINCIPAL HEADS OF REVENUE.

REVENUE.

Accounts 1906-07 Rs.	Budget 1907-08 Rs.	Revised 1907-08 Rs.	Accounts 1907-08 Rs.
1,75,42	1,71,68	1,80,37	1,81,17

17. The receipts in this section exceeded the Budget Estimate and the actuals of the previous year by 9,49 and 5,75 respectively.

As compared with the Budget there were large increases under *Land Revenue* (4,30), *Forest* (2,27) and *Excise* (2,83). There was also some improvement in the Revenues under *Stamps* and *Registration*, while there was a slight fall in the receipts under *Assessed Taxes* and *Salt*.

The improvement over the actuals of the previous year was chiefly under *Forest*, *Excise* and *Land Revenue*.

The causes which led to the above results as well as the shortage of 3,65 under *Sayer* are explained under the heads concerned.

I. Land Revenue.

Accounts 1906-07 Rs.	Minor Heads	Budget 1907-08 Rs.	Revised 1907-08 Rs.	Accounts 1907-08 Rs.
91,89	Assessment on lands...	91,00	95,82	94,88
528	Quit-rent of minor Inam villages including Kayamgutta	4,93	5,50	5,38
307	Miscellaneous	3,47	3,10	3,50
7	Rent on toddy trees	10	8	4
1,00,31	Total ...	99,50	1,04,50	1,03,80

18. The receipts under this head showed an improvement of 4,30 over the budget and of 3,49 over the actuals of the previous year. The increase over the estimate was chiefly under *Assessment on Lands* due mainly to the collection of about 3 lakhs of suspended revenue and partly also to the expansion of cultivation and the revision of Survey Settlement in some of the taluks.

As compared with the previous actuals the bulk of the increase was under *Assessment on Lands*. The head *Miscellaneous* also showed a slight increase.

The revised estimate was fairly accurate.

II. Forest.

Accounts 1906-07 Rs.	Minor Heads	Budget 1907-08 Rs.	Revised 1907-08 Rs.	Accounts 1907-08 Rs.
15,77	Timber and other produce removed by Government agency	17,32	17,29	17,89
3,10	Do by consumers or purchasers...	3,04	4,35	4,60
1	Confiscated drift and waif wood ...	1	1	1
28	Miscellaneous	13	20	27
19,16	Total ...	20,50	21,85	22,77

19. The receipts exceeded the estimate and the actuals of the previous year by 2,27 and 3,61 respectively, and this improvement was the result of better realisations under all the minor heads, except *Confiscated Drift and Waif Wood*, the revenue under which is very insignificant. Under *Timber and other produce removed by Government Agency* the large increase was in the realisation from sandalwood, 1,60, due to a very favourable rate (average Rs. 551 per ton) secured during the year for that wood. Against this there was a decrease of 98 under Timber consequent on the difficulties as regards transport experienced in the Shimoga and Kadur Districts. Under *Timber and other produce removed by consumers or purchasers* the noticeable increases were under Timber (28) and Other Minor Produce (1,27). The former of these was due chiefly to selling standing trees previously marked by the Department in some of the coupes in Shimoga and Kadur, and the latter to better realisations from sales of leases for the collection of tangadi bark, gall-nut, etc. Under *Miscellaneous* the chief increase was under Other Sources and Rent on toddy trees, both of which are fluctuating items.

The improvement over the actuals of the previous year was under *Timber and other produce removed both by Government Agency* and *by consumers or purchasers*. This result was greatly due to the better rates secured for Timber, Sandalwood and Minor Forest Produce at the respective auction sales.

The increase over the Revised was due to the realisation from sandalwood having been higher than anticipated.

III. Excise.

Accounts 1906-07 Rs.	Minor Heads	Budget 1907-08 Rs.	Revised 1907-08 Rs.	Accounts 1907-08 Rs.
20,02	Arrack	19,75	21,09	21,80
18,67	Toddy	18,06	19,26	18,85
9	Beer	15	5	6
2	Akki Bhoja—License Fees	2	3	3
53	Ganja	55	40	59
34	Opium	38	38	41
7	Miscellaneous	6	6	6
3	Proportionate share of the cost of Central Distillery Establishment charges recovered from the Civil and Military Station.	3	3	3
39,77	Total ...	39,00	41,30	41,83

20. The revenue from this progressive head exceeded both the estimate and the previous year's actuals, the excess in the former case being 2,83 and in the latter 2,06. The increase in both the cases was under *Arrack* and *Toddy* and was the result of increased revenue from arrack, the enhancement of the toddy tree-tax and the increase in the number of toddy trees tapped. There was, however, a fall of 97 under Toddy, Government Farms, and Shop-rental, as compared with the actuals of the previous year, but this was more than made up by the increase in the Tree-tax mentioned above.

The actuals in the aggregate closely followed the Revised, though there were some variations in the details.

IV. Assessed Taxes.

Accounts, 1906-07	3,30
Budget, 1907-08	3,30
Revised, 1907-08	3,35
Accounts, 1907-08	3,17

21. The small decrease in this Revenue was partly the result of reduction in the rate of *Assessment on vacant building sites* and partly to the formation of local "Unions" to which the Mohatarfa, derived within the areas comprised in the Unions, has been assigned.

V. Sayer.

Accounts, 1906-07	3,68
Budget, 1907-08	...
Revised, 1907-08	2
Accounts, 1907-08	3

22. The *halat* on Supari was abolished with effect from the 1st of July 1907. *Vide* Government Order No. Fl. 6878-88, dated 14th March 1907. The small realisation during the year was on account of arrears of previous year.

VI. Salt.

Accounts, 1906-07	...	...	... 19
Budget, 1907-08	...	...	... 16
Revised, 1907-08	...	...	... 10
Accounts, 1907-08	...	...	... 10

23. This source of Revenue is gradually shrinking with the lowering of the tax on salt in British India.

VII. Stamps.

Accounts 1906-07	Minor Heads	Budget 1907-08	Revised 1907-08	Accounts 1907-08
Rs.		Rs.	Rs.	Rs.
2,99	Sale of General Stamps	2,96	3,10	3,20
4,24	Sale of Court-fee Stamps	4,50	4,40	4,47
8	Sale of plain paper for Court purposes ...	8	7	7
16	Duty on impressing unstamped and insufficiently stamped documents ...	20	12	12
10	Fines and penalties	10	10	11
1	Miscellaneous	1	1	1
7,58	Total ...	7,85	7,80	7,98

24. This is a fluctuating head and the revenue derived under it depends more or less on the character of the season and condition of the people. The total actuals of the year under report very closely followed the estimate but they were in excess of the previous actuals by 40. The chief increases were in the sales of General and Court-fee Stamps.

VIII. Registration.

Accounts, 1906-07	...	...	... 1,44
Budget, 1907-08	...	...	... 1,37
Revised, 1907-08	...	...	... 1,45
Accounts, 1907-08	...	...	... 1,49

25. The slight increase in this Revenue was caused by the general increase in the number of documents registered and this is attributed to the unfavourable character of the season in both the Tumkur and Chitaldrug Districts.

SECTION A.—DIRECT DEMANDS ON THE REVENUE.

Expenditure.

Accounts 1906-07	Budget 1907-08	Revised 1907-08	Accounts 1907-08
Rs.	Rs.	Rs.	Rs.
31,50	31,83	31,77	31,30

26. The expenditure under this group was less than the estimate and also than the actuals of the previous year by 53 and 20 respectively. The less expenditure in the former case was chiefly under *Refunds* (12), *Forest* (69) and *Registration* (3) and it was to some extent counterbalanced by the increase in the expenditure under *Land Revenue* (17) and *Excise* (12). Compared with the previous actuals, while there was an excess under *Forest* (5) and *Excise* (12), the other heads, notably *Land Revenue*, showed comparatively less expenditure. The charges under *Sayer* were practically *nil* for the reason explained in para 22.

1. Refunds and Drawbacks.

Accounts 1906-07	Minor Heads	Budget 1907-08	Revised 1907-08	Accounts 1907-08
Rs.		Rs.	Rs.	Rs.
1,63	Land Revenue	1,64	1,63	1,60
3	Forest	1	1	1
26	Excise	32	30	27
1	Sayer Customs	...	...	...
21	Stamps	24	24	22
...	Other Refunds	1	...	...
2,14	Total ...	2,22	2,18	2,10

27. Considering the fluctuating nature of this head, the expenditure closely followed the estimate and the actuals of the previous year. The small decrease of 12 as compared with the estimate is shared by almost all the minor heads.

2. Land Revenue.

Accounts 1906-07	Minor Heads	Budget 1907-08	Revised 1907-08	Accounts 1907-08
Rs.		Rs.	Rs.	Rs.
54	Revenue Commissioner	60	57	58
7,55	Charges of District Administration ...	7,76	7,57	7,59
8,12	Remuneration to shanbhogs and patels ...	7,58	8,22	8,13
1,80	Revenue Survey and Settlement ...	1,73	1,58	1,58
8	Inam Department	6	5	5
11	District Survey Establishment ...	10	11	10
13	Assignments	15	13	12
18,33	Total ...	17,98	18,23	18,15

28. The total charges exceeded the estimate by 17 and this excess was the net result of several variations in the details. Under *Charges of District Administration* there was an increase of 12 in the charges for General Establishments due to increased salaries of Deputy and Assistant Commissioners and the payment of leave allowances. The appointment of Probationary Assistant Commissioners after the Budget Estimate was framed also added to the above increase. Against this excess there were considerable savings under Taluk Establishments (17) due chiefly to the full number of Shekdars according to the new sanctioned scale not having been entertained and under *Supplies and Services* (10) owing to the provisions made under the several items especially Revenue Process Serving Establishment, not having been utilized in full. The charges for *Remuneration to Shanbhogs and Patels* exceeded the estimate by 55 owing probably to the payment of arrears of potgi allowances. In the case of *Revenue Survey and Settlement* the saving of 15 was partly in the lump sum grant for Establishment and partly under *Supplies and Services* and *Contingencies.*

Compared with the actuals of the previous year, there was a net saving of 18. Under *Revenue Survey and Settlement* the decrease of 22 was caused by the retirement of the Survey Commissioner and the appointment in his stead of a Superintendent on reduced pay, the abolition of the post of Special Assistant and the savings in the lump sum grant for Establishment. This saving was diminished by an excess of 4 under *Revenue Commissioner* due to the revision of the Establishment of the Revenue Commissioner and a similar excess under *Charges of District Administration* caused by the gradual introduction of the new scale of pay to the Shekdars and the grant of horse allowance to all the Shekdars. The charges on account of Travelling Allowance to Amildars also added to the increase, as such charges during the year were for the whole year against only a portion in the previous year. The excess under *Charges of District Administration* would have been more but for the savings in the Deputy and Assistant Commissioners' and Taluk Cutcherry Establishments.

Except under the minor head *Remuneration to Shanbhogs* the Revised Estimate was accurate and on the whole the actuals closely followed the Revised.

3. Forest.

Accounts 1906-07	Minor Heads	Budget 1907-08	Revised 1907-08	Accounts 1907-08
Rs.		Rs.	Rs.	Rs.
3,58	Conservancy and Works	4,24	3,97	3,72
3,01	Establishment	3,09	2,89	2,92
6,59	Total ...	7,33	6,86	6,64

29. This expenditure showed a saving of 69 on the estimate but exceeded the previous year's actuals by 5.

As compared with the estimate the large saving of 52 under *Conservancy and Works* was due to the timber operations having been hampered by transport difficulties and by short supply of labour consequent on the prevalence of plague in the Shimoga District and of cholera in South Canara which supplies the bulk of the labour, and the limited quantity of sandalwood collected in view of the large stock on hand. There was also a large saving under *Establishment* due partly to some of the vacancies not having been filled up and partly to less charges under Travelling Allowances and Contingencies.

As compared with the previous actuals the excess of 14 under *Conservancy and Works* was to a large extent diminished by the savings of 9 under *Establishment.* The comparatively large timber operations and the increased expenditure under *Buildings and Communications* caused an excess of 26; but this was to some extent counterbalanced by the decrease of 10 under *Live and Dead Stock* caused by the death of a few elephants which were not replaced and the savings under *Establishment* due to the causes above explained. The Revised which was based on the Conservator's Estimate proved too high as regards *Conservancy and Works.*

4. Excise.

Accounts 1906-07	Minor Heads	Budget 1907-08	Revised 1907-08	Accounts 1907-08
Rs.		Rs.	Rs.	Rs.
53	Salaries	44	44	43
1,61	Establishment	1,53	1,57	1,58
42	Allowances	43	42	42
52	Supplies and Services	61	85	77
10	Contingencies	12	11	10
3,18	Total ...	3,18	3,39	3,30

30. This expenditure showed an excess of 12 over both the Budget Estimate and the actuals of the previous year.

The excess in both the cases was chiefly under *Supplies and Services* due to the payment of arrears of remunerations to contractors for carrying liquor from Distillery to Bonded Depots. The excess over the estimate was only partially reduced by the small savings under *Salaries, Allowances* and *Contingencies*; that over the actuals of the previous year was met by a little more than a half, by less expenditure under *Salaries* due to the abolition of the office of the Deputy Excise Commissioner and his Establishment and of the temporary executive staff previously entertained.

The slight saving as compared with the Revised was under *Supplies and Services* due to the grant for uniform not having been fully utilised and to the loss by Bung wastage of liquor having been less than anticipated.

6. Sayer Customs.

Accounts, 1906-07	14
Budget, 1907-08	1
Revised, 1907-08	2
Accounts, 1907-08	2

31. No remarks.

8. Stamps.

Accounts 1906-07	Minor Heads	Budget 1907-08	Revised 1907-08	Accounts 1907-08
Rs.		Rs.	Rs.	Rs.
2	Superintendence	3	3	2
5	Stamp Manufactory	6	4	5
19	Discount on sale of stamp papers and labels ...	17	19	20
...	Discount on sale of plain paper for court purposes	...	...	...
26	Total ...	26	26	27

32. The variations are small and require no explanations.

9. Registration.

Accounts 1906-07	Minor Heads	Budget 1907-08	Revised 1907-08	Accounts 1907-08
Rs.		Rs.	Rs.	Rs.
10	Superintendence	9	9	8
76	District Charges	76	74	74
86	Total ...	85	83	82

33. The expenditure in this case closely followed the estimates and the actuals of the previous year. The savings in both the cases are small and have been chiefly under *District Charges.*

Section AA.—MINING REVENUE.

Mining Royalty and Leases.

Accounts 1906-07	Minor Heads	Budget 1907-08	Revised 1907-08	Accounts 1907-08
Rs.		Rs.	Rs.	Rs.
16,02	Royalty	15,40	14,50	15,13
45	Rent on prospecting lands	10	70	70
...	Fines on assignments	...	...	...
16,47	Total ...	15,50	15,20	15,83

34. The Revenue under this head exceeded the estimate by 33 but fell short of the actuals of the previous year by 64.

Compared with the estimate there was a decrease of 27 under *Royalty* due partly to the diminished output in the Champion Reefs and Balaghat Mines and partly to larger outstandings than usual. The decrease was, however, more than made up by the very large receipts under *Rents on prospecting lands* the estimate under which could not be accurate for want of necessary data.

Compared with the previous year the Royalty realised was less and but for the increased rents realised the difference would have been more. The Revised has proved too cautious.

35. The following is a comparative table of gold produced and Royalty realised during the two years.

	1906-07	1907-08	1907-08 more + or less —
	Rs.	Rs.	Rs.
Weight of bar gold produced in ozs	54,08,96	53,40,11	— 68,85
Certified value in £	2,07,19,49	2,04,77,25	—2,42,24
Royalty in £	10,35,98	10,23,86	— 12,12
Arrears of previous year collected in the year under report in £...	2,04,94	1,87,24	— 17,70
Arrears remaining at the end of the year in £	1,87,24	2,17,91	+ 30,67

SECTION AA.—MINING REVENUE.

10. Charges against Mining Revenue.

Accounts 1906-07 Rs.		Budget 1907-08 Rs.	Revised 1907-08 Rs.	Accounts 1907-08 Rs.
...	Cost of supervision—75 per cent of Geological Department charges	...	76	82
...	Law and Justice—Courts of Law ...	...	23	23
...	Police—K. G. F. Police charges	...	64	63
...	Education	...	3	2
...	Medical	...	17	17
...	Miscellaneous	...	— 3	— 3
15	Refunds	18	15	14
15	Total ...	18	1,95	1,98

36. This is a new head of expenditure opened in terms of paragraphs 22 and 26 of Government Order No. Fl. 6050—Gen.-Fin. 28-04-55 of the 6th February 1907. To this head the charges against the Mining Industry at the Kolar Gold Fields were transferred in the accounts from the Major head concerned as detailed in the Standard Budget attached to the order quoted above. For want of sufficient details, it was not possible, at the time the Budget Estimate for the year was prepared, to transfer to this head the grants from the other heads concerned; but this transfer was effected in the Revised. The actuals have in the total closely followed the Revised.

N. B.—For purposes of comparison the details under the expenditure heads concerned from which transfers have been made are shown *gross* and the amounts transferred deducted from the total.

SECTION B.—INTEREST.

RECEIPTS.

Accounts 1906-07 Rs.	Budget 1907-08 Rs.	Revised 1907-08 Rs.	Accounts 1907-08 Rs.
3,62	5,52	6,40	7,07

37. The receipts in this section exceeded the estimate by 1,55 and the previous actuals by 3,45. The increase was mainly due to higher receipts under *Profit or Loss* which are explained in their proper place.

The realisation under *Interest on Loans* was also better.

X. Interest.

Accounts 1906-07 Rs.	Minor Heads	Budget 1907-08 Rs.	Revised 1907-08 Rs.	Accounts 1907-08 Rs.
70	Interest on Loans	92	79	1,42
30	Interest on arrears of Revenue	24	35	35
1,00	Total ...	1,16	1,14	1,77

38. Against the total demand of 3,57 on account of *Interest on Loans* a deduction of 2,65 was made as not likely to be recovered during the year. This deduction was made in view of the fact that the realisations of the preceding years were very poor. The actuals however were better and the improvement was mainly in the Interest on Loans to Agricultural Banks (chiefly Saklespur and Chikmagalur) and Interest on Loans to Encumbered Jahgirdars. The receipts under *Interest on Arrears of Revenue* were also better.

The Revised did not anticipate the large recoveries from certain Agricultural Banks made about the end of the year by the adoption of coercive measures.

39. The following table shows the Demand, Collection and Balance of Interest on Loans for the year 1907-08 :—

Loans	Demand			Collection			Balance
	Arrears	1907-08	Total	Arrears	1907-08	Total	
	Rs.	Rs.		Rs.	Rs.		Rs.
To Encumbered Jahgirdars	52	49	1,01	23	8	31	70
„ Municipalities ...	2	2	4	...	2	2	2
„ Special Loans ...	68	11	79	14	1	15	64
„ Other Loans ...	1	1	2	...	1	1	1
„ Agricultural Banks ...	61	51	1,12	44	38	82	30
Total ...	1,84	1,14	2,98	81	50	1,31	1,67

XI. Profit or Loss.

Accounts,	1906-07	...	...	...	...	...	2,62
Budget,	1907-08	...	...	...	...	...	4,36
Revised,	1907-08	...	...	...	...	...	5,26
Accounts,	1907-08	...	...	...	...	...	5,30

40. The receipts under this head exceeded the estimate by 94 and the actuals of the previous year by 2,68. The increase over the estimate was partly on account of the additional investment of 12 lakhs made in Government of India Securities after the estimate was framed and partly also to the increased interest derived from the Bank of Madras on the Government balance with that Bank. As usual, efforts were made to keep up the balance with the Bank as high as possible during the busy season.

Compared with the previous year, the increase was chiefly due to the above cause and partly also to the fact that the interest on 50 lakhs of the Government Securities for the second half of the year 1906-07 could not be realised that year as the last day fell on a Sunday.

The actuals slightly exceeded the Revised.

Section B.—INTEREST.

Expenditure.

Accounts 1906-07	Budget 1907-08	Revised 1907-08	Accounts 1907-08
Rs.	Rs.	Rs.	Rs.
3,08	3,15	3,17	2,96

41. The expenditure in this Section fell short of the estimate by 19 and of the actuals of the previous year by 12.

11. Interest on Ordinary Debt.

Accounts 1906-07		Budget 1907-08	Revised 1907-08	Accounts 1907-08
Rs.		Rs.	Rs.	Rs.
...	1. On 5 per cent Mysore Railway Loan of 1882	1	...	...
20	2. On 4 per cent Mysore State Loan of 1906-07	80	76	65
20		81	76	65
11	*Less* Interest debitable to Cauvery Power Scheme	70	65	62
9	Total ...	11	11	3

42. The actuals were less than the estimate by 8 and the previous accounts by 6. In the former case there was a decrease of 15 in the interest payable on the 4 per cent Mysore State Loan of 1906-07 as pro-notes to the extent of about 2 lakhs had not been issued

for want of the required succession and other certificates. The amount of interest transferred to the Cauvery Power Scheme and deducted from the above was also less as the Capital Outlay on the III Installation fell short of the estimate.

In the latter case the charges under Interest on the 4 per cent Mysore State Loan was greater by 45 due to the fact that in the previous year the interest paid was only for one half year against two in the year under report and that in a few cases the claim for interest was made only in the subsequent year. The amount of interest deducted from the above by transfer to the Cauvery Power Scheme was also greater as the Capital Expenditure from the Loan amount was greater than in the previous year. The net result was a decrease of 6 as mentioned above.

12. Interest on other Obligations.

Accounts 1906-07	Minor Heads	Budget 1907-08	Revised 1907-08	Accounts 1907-08
Rs.		Rs.	Rs.	Rs.
2,33	Interest on Mysore Government Savings Bank Deposits	2,30	2,30	2,18
17	Interest on Endowment Funds	17	16	16
42	Interest on Mysore State Life Insurance Fund	45	48	47
1	Refunds	1	...	...
2,93	Total ...	2,93	2,94	2,81

43. The expenditure closely followed the estimate and the actuals of the previous year except under the minor head—*Interest on Mysore Government Savings Bank Deposits*, where it fell short by 12 and 15 respectively. This was due to the fluctuations in the Deposit transactions of these Banks and also to the reason given in the succeeding para. The small increase in the Interest paid on the Mysore State Life Insurance Fund was due to the progressive increase in the balance at credit of the fund.

The Savings Banks Rules are now rigorously enforced and immediate steps taken to close all irregular accounts opened by District and Taluk Treasury Officers. Hence the actuals under Interest are less than the Revised.

13. Profit or Loss.

Accounts 1906-07	Minor Heads	Budget 1907-08	Revised 1907-08	Accounts 1907-08
Rs.		Rs.	Rs.	Rs.
6	Loss on Investments	11	12	12
...	Interest on overdraft and on temporary loan from Madras Bank...	...	...	...
6	Total ...	11	12	12

44. The chief item of expenditure under this head is the income-tax paid on interest on Government paper. The tax so paid on the interest on additional investments of the year as well as on the arrear interest drawn during the year was the cause of the excess over the actuals of the previous year. The actuals came up to the Revised.

SECTION C.—PALACE.

14. Palace.

EXPENDITURE.

Accounts	1906-07	19,40
Budget	... ...	19,40
Revised	1907-08	19,40
Accounts	... ...	19,40

45. No remarks.

SECTION D.—RECEIPTS BY CIVIL DEPARTMENTS.

RECEIPTS.

Accounts 1906-07 Rs.	Budget 1907-08 Rs.	Revised 1907-08 Rs.	Accounts 1907-08 Rs.
4,00	-3,97	3,88	4,40

46. The receipts in this Section exceeded both the estimate and the actuals of the previous year by 43 and 40 respectively. Compared with the estimate the receipts under *Courts of Law* and *Police* were less while those under *Education*, *Medical* and *Scientific, etc., Departments* were more.

XII A. Law and Justice—Courts of Law.

Accounts 1906-07 Rs.	Minor Heads	Budget 1907-08 Rs.	Revised 1907-08 Rs.	Accounts 1907-08 Rs.
3	Sale proceeds of unclaimed and escheated property	3	3	3
1	Recoveries on account of pauper suits	1	1	1
46	Fees, fines and forfeitures ...	46	37	37
1	Savings and Refunds	1	1	1
2	Miscellaneous	1	2	2
55	Total ...	52	44	44

47. The receipts under this head followed pretty closely the estimate and the actuals of the previous year, except under *Fees, Fines and Forfeitures* a fluctuating item the realization under which fell short of both by 9.

XII B. Law and Justice—Jails.

Accounts 1906-07 Rs.	Minor Heads	Budget 1907-08 Rs.	Revised 1907-08 Rs.	Accounts 1907-08 Rs.
13	Proceeds of Jail labor and manufactures	15	17	15
...	Proceeds of Jail garden	1	1	1
2	Hire of convicts	1	1	1
1	Guarding charges of out-door gangs...	2	2	2
8	Cost of maintenance of Civil and Military Station prisoners ...	6	5	4
...	Savings and Refunds	...	...	...
...	Miscellaneous	...	2	2
24	Total ...	25	28	25

48. The actuals on the whole correspond with the estimate and compare well with the previous actuals though there are slight variations in the details.

The less receipts under *Cost of Maintenance of Civil and Military Station Prisoners* were due to the arrangement of sending the long term prisoners to the Vellore Jail.

XIII. Police.

Accounts 1906-07 Rs.	Minor Heads	Budget 1907-08 Rs.	Revised 1907-08 Rs.	Accounts 1907-08 Rs.
2	Police supplied to private persons ...	3	3	2
18	Seven-tenths share of Railway Police recovered from Companies ...	6	6	8
13	Contribution by Mining Companies for the Detective Police at Kolar Gold Fields	13	13	11
3	Savings and Refunds	2	2	2
1	Miscellaneous and other items ...	1	...	...
37	Total ...	25	24	23

49. In this case the actuals closely followed the estimate but fell short of the receipts of the previous year by 14. The decrease was chiefly under $\frac{7}{10}$*ths share of Railway Police recovered from the Companies* and it was due in the previous year to the credit of an arrear amount in connection with the Birur-Shimoga line.

XIV. Education.

Accounts 1906-07 Rs.	Minor Heads	Budget 1907-08 Rs.	Revised 1907-08 Rs.	Accounts 1907-08 Rs.
88	School fees	71	90	89
21	Sale proceeds of school books, maps and other publications ...	27	27	27
...	Industrial School Receipts ...	1	...	...
14	Contribution from Municipal Funds...	15	14	14
3	Do Muzrai Funds ...	3	3	3
2	Do people towards Anglo-Vernacular and Sanskrit Schools	2	1	1
2	Savings, refunds and fines ...	1	1	1
130	Total ...	120	136	135

50. The Revenue under this head shows an increase over both the estimate and the actuals of the previous year. The chief source of this increase in the former case was *School Fees* due apparently to under estimate. The excess in the latter case was under *Sale proceeds of books, maps, etc.*

XV. Medical.

Accounts 1906-07 Rs.	Minor Heads	Budget 1907-08 Rs.	Revised 1907-08 Rs.	Accounts 1907-08 Rs.
....	Hospital receipts	...	...	...
1	Value of medicines sold... ...	1	2	2
3	Sale of lanoline vaccination lymph ...	2	2	3
7	Cost of maintenance of Civil and Military Station lunatics and lepers	6	7	6
2	Miscellaneous	...	1	14
22	Contribution from Municipal Funds on account of Local Fund Dispensaries	89	22	27
46	Contribution from District Funds on account of Local Fund Dispensaries		47	81
...	Receipts from Lunatic Labour ...	5	6	5
81	Total ...	103	87	138

51. Here again the receipts exceeded both the estimate and the previous actuals. The excess over the estimate was chiefly under *Miscellaneous* (14) and *Contribution from Municipal and District Funds on account of Local Fund Dispensaries* (19) due in the former case to a wrong credit of 13 to the minor head instead of to contribution in the Mysore District and in the latter to the recovery of arrears of contributions due.

The improvement over the previous actuals was also due to the cause mentioned above. The increase under *Receipts from Lunatic Labour* was owing to the closing of the "Lunatic Labour Fund" which existed previously and bringing the receipts and disbursements on the Government accounts in terms of Government Order No. 294-5—Med. 75-06-12, dated 11th July 1907. The Revised did not anticipate the large adjustments of arrears of contribution from District and Municipal Funds on account of Local Fund Dispensaries.

XVI. Scientific and other Minor Departments.

Accounts 1906-07 Rs.	Minor Heads	Budget 1907-08 Rs.	Revised 1907-08 Rs.	Accounts 1907-08 Rs.
5	Botanical and other gardens	5	6	7
55	Veterinary and Stallion Receipts... ...	52	46	50
1	Agricultural Department, Mis. Receipts ...	1	1	1
7	Geological Department	6	10	9
7	Miscellaneous	8	6	8
75	Total ...	72	69	75

52. The receipts under this head compare well with the estimate and are the same with the previous year's actuals. The variations in the details are small and call for no remark.

The slight excess over the Revised was chiefly under *Veterinary and Stallion receipts* consequent on the increased recovery of assessment on kavals.

Section D.—SALARIES AND EXPENSES OF CIVIL DEPARTMENTS.

Expenditure.

	Accounts 1906-07 Rs.	Budget 1907-08 Rs.	Revised 1907-08 Rs.	Accounts 1907-08 Rs.
	48,75	51,00	52,69	52,47
Deduct amounts transferred to 10.—Charges against Mining Revenue ...	...	...	1,83	1,87
Balance ...	48,75	51,00	50,86	50,60

53. The net expenditure in this section compared with the estimate shows a saving of 40, but it has exceeded the actuals of the previous year by 1,85. Excluding the deduction by transfer to the head *Charges against Mining Revenue*, there have been excesses of 1,47 and 3,72 respectively. These excesses are mainly due to the payment of the building grant to the Indian Institute of Science. The other important variations are all explained under the several heads grouped in this section.

15. General Administration.

Accounts 1906-07 Rs.	Minor Heads	Budget 1907-08 Rs.	Revised 1907-08 Rs.	Accounts 1907-08 Rs.
53	Dewan to His Highness the Maharaja ...	48	48	48
18	Tour charges	20	72	71
45	State Councillors	43	43	43
....	Legislative Council, Travelling Allowance to non-official members	...	1	1
2,62	Civil Secretariats	2,39	2,39	2,26
72	Staff and Household of His Highness the Maharaja	71	64	65
77	Comptroller's Office	96	76	75
13	State Huzur Treasury	15	15	15
1,93	Government Houses, Stables, Parks and Gardens	1,40	1,36	1,22
4	Durbar presents	...	4	1
7,37	Total ...	6,72	6,98	6,67

54. The total expenditure under this head has closely followed the estimate, being only less by 5, but it falls short of the previous actuals by 70. As compared with the estimate there was a large excess of 51 under *Tour charges* due to the adjustment during the year of the charges (63) incurred in connection with the Calcutta trip of His Highness the Maharaja. But this excess was more than counterbalanced by the savings under other items.

Under *Civil Secretariats* the saving of 13 was consequent on the appointment for a time of the General and Revenue Secretary as a Judge of the Chief Court, on the transfer from the Secretariat to the District a Probationary Assistant Commissioner, and on less charges incurred under Travelling Allowance and Contingencies; under *Staff and Household of His Highness the Maharaja* the saving of 6 was caused by the reversion to the British Service, about the middle of the year, of the English Tutor to the Yuvaraja; under *Comptroller's Office* the decrease of 21 was chiefly due to the reversion of the permanent Comptroller to the British service and the appointment of a local officer to act for him, the abolition of the appointment of the Chief Assistant with the retirement of the last incumbent thereof, the non-utilization of the provision made for an Assistant Commissioner for duty in the Comptroller's Office; and lastly to savings in establishment. Under *Government Houses, Stables, Parks and Gardens* the saving was chiefly in the grants for entertainment of guests, both European and Indian, and partly under Shikar charges.

Compared with the actuals of the previous year also there was decrease in expenditure. The more important of which were:-5 under *Dewan to His Highness the Maharaja* consequent on the payment in the previous year of the privilege leave allowances to the retiring Dewan; 36 under *Civil Secretariats* due mainly to increased expenditure in the previous year under Travelling Allowances of the Secretariat Officers and Establishment consequent on the Calcutta trip and the purchase of two motor cars for the use of Government Officers; 7 under *Staff and Household of His Highness the Maharaja* owing to the cause explained in the preceding para; Under *Government Houses, etc.*, to the charges in the previous year in connection with the visit of Their Royal Highnesses the Prince and Princess of Wales being special for that year. These savings were to a great extent diminished by the excess under *Tour charges*, the cause of which has been already explained.

The savings in the charges on account of Travelling Allowances of Officers and Establishment of the Civil Secretariats and in the cost of entertainment of guests at the Government House at Mysore could not be anticipated in the Revised.

16A. Law and Justice—Courts of Law.

Accounts 1906-07 Rs.	Minor Heads	Budget 1907-08 Rs.	Revised 1907-08 Rs.	Accounts 1907-08 Rs.
1,04	Chief Court	1,07	1,03	1,02
15	Law Officers	15	13	13
66	Civil and Sessions Courts	45	46	46
53	Assistant Sessions and Sub-Judges' Courts ...	32	32	32
1,02	Munsiffs' Courts	98	1,00	1,01
60	Process Serving Establishments	65	62	62
20	District Magistrates' Courts	19	18	19
19	City Magistrates' Courts	23	22	22
12	Kolar Gold Mines Assistant Commissioner and 1st Class Magistrate	12	12	12
16	Refunds	16	14	14
4,67		4,32	4,22	4,23
4,62	Add share of Land Revenue Charges debitable to this head	4,54	4,55	4,57
9,29	Total ...	8,86	8,77	8,80
	Deduct:—The charges transferred to 10.—Charges against Mining Revenue.—			
	Munsiffs' Courts		9	9
	Process Serving Establishment		2	2
	Kolar Gold Fields Assistant Commissioner, etc. ...		12	12
9,29	Total ...	8,86	8,54	8,57

55. The charges under this head have closely followed the Budget estimate except under *Chief Court* which showed a saving of 5 consequent on the death of the permanent Chief Judge who was drawing a special rate of pay and the appointment of an acting Chief Judge. The decrease of 29 as compared with the total estimate is only nominal as the deduction now made in the accounts in terms of Government Order mentioned in paragraph

5 (1) had not been made in the estimate for the reasons already stated. The saving on the previous year's accounts was chiefly under *Civil and Sessions Courts* (20) *and Assistant Sessions and Sub-Judges' Courts* (21) and was the result of the abolition of the District Court at Bangalore and the Sub-Judges' Courts at Hassan and Chikmagalur and partly also of the transfer during the year of 23 from this to the head *Charges against Mining Revenue.*

The actuals have very closely followed the Revised.

16B. Law and Justice—Jails.

Accounts 1906-07 Rs.	Minor Heads	Budget 1907-08 Rs.	Revised 1907-08 Rs.	Accounts 1907-08 Rs.
1,11	Jails	1,05	1,06	1,09
16	Jail Manufactures	20	17	14
1	Refunds	...	...	...
1,28	Total ...	1,25	1,23	1,23

56. On the whole the actuals for 1907-08 have pretty closely followed both the estimate and the actuals of the previous year.

In the details there was excess of 4 under *Jails* and a saving of 6 under *Jail Manufactures.* The excess was mainly in the Dietary charges due to a slight increase in the jail population combined with the high price of food grains while the saving was under purchase of raw materials and was due to the adoption of the prescribed procedure of deducting from charges the value of raw materials used for clothing supplied to prisoners instead of crediting such value on the receipt side as was previously being done.

The actuals in the total are the same as the Revised.

17. Police.

Accounts 1906-07 Rs.	Minor Heads	Budget 1907-08 Rs.	Revised 1907-08 Rs.	Accounts 1907-08 Rs.
36	Superintendence—Head-quarters ...	35	34	34
75	Town Police, Bangalore and Mysore ...	78	75	75
7,54	District Police	7,58	7,54	7,55
71	Kolar Gold Fields Police	72	64	63
13	Special Police—Detective Police, Kolar Gold Fields	13	13	13
12	Railway Police	9	10	10
...	Refunds	...	...	2
9,61		9,65	9,50	9,52
28	Share of Land Revenue charges debitable to Police	27	28	27
9,89	Total ...	9,92	9,78	9,79
...	Deduct:—Charges of Kolar Gold Field Police transferred to 10. Charges against Mining Revenue	...	64	63
9,89		9,92	9,14	9,16

57. The expenditure fell short of the estimate by 13 and of the actuals of the previous year by 10. Practically the whole of this saving was under Kolar Gold Fields Police and in the pay and allowances of the Superintendent. As regards the District Police the savings on the estimate under Salaries and Police Force were counterbalanced by the excess in the charges for Travelling and Horse allowances.

In this case also the Revised estimate has proved very accurate.

18. Education.

Accounts 1906-07 Rs.	Minor Heads	Budget 1907-08 Rs.	Revised 1907-08 Rs.	Accounts 1907-08 Rs.
...	University	2,00	5,00	5,00
31	Direction	28	28	27
60	Inspection	61	58	58
2,46	Government Colleges and High Schools, General	2,57	2,57	2,55
21	Government Schools, Special	62	46	54
2,32	Government Taluk Schools for Boys and Girls	2,52	2,39	2,40
22	Book Department	23	21	23
16	Oriental Library and search for Sanskrit Manuscripts	17	16	16
96	Grants-in-aid	1,00	1,13	97
44	Scholarships	49	44	42
35	Miscellaneous	34	41	42
...	Refunds	...	...	...
8,03	Total ...	10,83	13,63	13,54
...	Deduct:—Charges of Government Taluk Schools for Boys and Girls at Kolar Gold Fields transferred to 10. Charges against Mining Revenue ...	...	3	2
8,03		10,83	13,60	13,52

58. The expenditure exceeded both the estimate and the previous actuals by 2,71 and 5,49 and practically the whole of this excess was under *University* due to the payment during the year of the full amount of the promised building grant of five lakhs to the Indian Institute of Science against the budget provision of only two lakhs. But for this payment there would have been a saving of 29 on the estimate and a small excess of 51 over the actuals of the previous year.

Compared with the estimate, the important savings were under *Government Schools, Special* (8) due to the savings in the grant for workshop fitting for Manual training and the non-utilisation of the building grant; under *Taluk Schools for Boys and Girls* (12) chiefly due to the inclusion under this head of the provision of 16 as a grant-in-aid to the Village School Fund for loss of fee income and increase of pay to teachers which was not claimed by the Inspector-General of Education, who is the administrator of the fund, within the year and therefore lapsed; and under *Scholarships* (7) the grant for scholarships within the Province and in the Agricultural College not having been fully utilized. There was, however, a small excess of 8 under *Miscellaneous* in the charges for travelling allowances as the grant intended for meeting the requirements of the revised establishment of the inspection staff proved inadequate.

The noticeable features as compared with the previous year are the large increase under *University* (500), *Government Schools, Special* (33), *Taluk Schools for Boys and Girls* (8) and *Miscellaneous* (7). The causes which contributed to the increase under some of these heads have already been alluded to and the normal expenditure in Educational expenditure in accordance with the policy of Government accounts for the increase in others.

The difference between the Revised and the actuals is about the same as the amount provided for as grant-in-aid to the Village School Fund for loss of fee income, which, as already stated, was allowed to lapse.

19. Muzrai or Religious and Charitable Institutions.

Accounts	1906-07	...	...	...	...	...	3,41
Budget	1907-08	...	...	...	...	...	3,35
Revised	1907-08	...	...	...	...	...	3,36
Accounts	1907-08	...	...	...	...	...	3,35

59. No remarks except that the less expenditure than the actuals of the previous year was due to the absence of special grants for construction and repairs of temples and the purchase of furniture for chattrams.

20. Medical.

Accounts 1906-07 Rs.	Minor Heads	Budget 1907-08 Rs.	Revised 1907-08 Rs.	Accounts 1907-08 Rs.
2,65	Medical Establishment	2,47	2,34	2,35
2,28	Hospitals and Dispensaries	2,22	2,04	2,04
9	Durbar Physician	18	14	12
85	Medical Stores	81	63	67
22	Lunatic Asylum	25	23	24
35	Sanitation and Vaccination	57	41	44
...	Grants for Medical purposes	...	...	...
9	Chemical Examiner and Bacteriologist ...	10	10	10
5	Medical Scholarships	10	3	3
...	Refunds	...	...	...
6,58	...	6,70	5,92	5,99
	Deduct:—Charges on account of Kolar Gold Fields Hospital and Female Dispensary transferred to 10. Charges against Mining Revenue	...	17	17
6,58	Total ...	6,70	5,75	5,82

60. This expenditure fell short of the estimate by 71 and of the actuals of the previous year by 59. The saving on the Budget was distributed under all the heads except *Grant-in-aid*, *Chemical Examiner and Bacteriologist* and *Refunds*. The saving of 12 under *Medical Establishment* was in the salaries of Civil Surgeons and Hospital Assistants diminished by the increase in the travelling allowance charges; while that under *Hospitals and Dispensaries* (18) was chiefly in the Local Fund Dispensary charges consequent on the cost of repairs of Dispensaries appearing in the Public Works Accounts. The decrease of 6 under *Durbar Physician* was due to the absence of any charges on account of house rent and furniture allowance. The large saving of 14 under *Medical Stores* was the result of less purchase of Europe Medicines. *Sanitation and Vaccination* and *Medical scholarships* contributed a saving of 13 and 7, respectively, as in the one case the lump-sum grant made for the organisation of a Health Department was not utilised in full and in the other there was no fresh grant of scholarships for pupil Hospital Assistants and Sanitary Inspector pupils.

Compared with the actuals of the previous year there were large variations in the details the net result of which was a decrease of 59. The more important of these are savings of 30 under *Medical Establishment*, of 24 under *Hospitals and Dispensaries*, and of 18 under *Medical Stores*, and an excess of 8 under *Sanitation and Vaccination*. The saving under *Medical Establishment* was due chiefly to the payment in the previous year of arrears of the increased rate of pay to the permanent Senior Surgeon and the payment of his privilege leave allowances in addition to the pay of the acting incumbent and partly to the saving in the salaries of Civil Surgeons and Assistant Surgeons; that under *Hospitals and Dispensaries* was owing to the absence of any building grant such as existed in the previous year in respect of the Wesleyan Mission Hospital for Women and Children at Mysore; and under *Medical Stores* to the comparatively less purchase of Europe Medicines. The excess under *Sanitation and Vaccination* was the result of the formation during the year of the new Health Department.

The slight increase over the Revised was chiefly under *Sanitation and Vaccination*, an item the expenditure under which is not yet settled.

21. Scientific and other Minor Departments.

Accounts 1906-07 Rs.	Minor Heads	Budget 1907-08 Rs.	Revised 1907-08 Rs.	Accounts 1907-08 Rs.
	Scientific—			
1,01	Geological Department	1,11	1,01	1,09
14	Meteorological Department	14	13	13
21	Archæological Department	13	12	12
3	Museum	3	3	3
...	Donation to scientific societies	...	...	...
	Agricultural—			
51	Experimental cultivation	71	60	57
2	Public Exhibitions and Fairs	9	13	12
54	Veterinary and Stallion charges	48	36	38
36	Botanical and other public gardens ...	36	34	36
	Statistics—			
...	Census	...	...	1
3	Ethnographical Survey	5	4	4
	Miscellaneous—			
11	Local and Civil Service Examinations ...	12	12	11
14	Registrar of Co-operative Societies ...	15	14	14
...	Refunds	...	...	...
2,90		3,37	3,02	3,10
	Deduct :—Seventy-five per cent of the Geological Department charges transferred to 10. Charges against Mining Revenue	...	76	82
2,90	Total ...	3,37	2,26	2,28

61. The total charges under this head fell short of the budget estimate by 27 but exceeded the actuals of the previous year by 20.

The savings as compared with the estimate were chiefly under *Experimental cultivation* (14) and *Veterinary and Stallion charges* (10), due in the former case to the Entomologist and Mycologist having joined his appointment in December instead of in August 1907 and to savings in the special grants for his establishment, books and journals and apparatus and chemicals intended for his use, and in the latter case to the non-utilisation in full of the special provision made for improvements in the Veterinary Department and to savings in establishment and in the grants for Supplies and Services of the Amrut Mahal Department.

Compared with the previous year's accounts there was some increase under *Geological Department* (8) due chiefly to the progressive salaries of the officers and to the grant of a local allowance to the Inspector of Mines; under *Experimental Cultivation* (6) owing to the appointment during the year of an Entomologist and Mycologist and to the purchase of books and journals, and apparatus and chemicals required for his use; and under *Public Exhibition and Fairs* (10) consequent on the holding for the first time an Industrial and Agricultural Exhibition at Mysore during the time of the Dasara.

The excesses were to some extent diminished by a saving of 9 under *Archæological Department*, due to the reduction in Establishment and to the absence during the year of the privilege leave allowances of the Director of Archæological Researches.

The excess over the Revised was under *Geological Department*. The calculation made on the basis of the 8 months' actuals proved in this case somewhat low.

Section E.—MISCELLANEOUS.

Receipts.

Accounts 1906-07 Rs.	Budget 1907-08 Rs.	Revised 1907-08 Rs.	Accounts 1907-08 Rs.
1,61	1,47	1,70	1,61

62. The receipts in this section are the same as last year but they show an improvement of 14 over the budget estimate. The excess is chiefly under the sub-head *Miscellaneous*, a fluctuating item.

XVII. Receipts in aid of Superannuation Allowances and Pensions.

Accounts 1906-07	2
Budget 1907-08	2
Revised 1907-08	2
Accounts 1907-08	2

63. No remarks.

XVIII. Stationery and Printing.

Accounts 1906-07 Rs.	Minor Heads	Budget 1907-08 Rs.	Revised 1907-08 Rs.	Accounts 1907-08 Rs.
2	Stationery Receipts	1	1	2
4	Sale of Gazette, etc.	3	5	5
3	Other Press Receipts	4	2	2
9	Total ...	8	8	9

64. The receipts have on the whole closely followed the estimate and the deviations in the details are small and call for no remarks.

XIX. Miscellaneous.

Accounts 1906-07 Rs.	Minor Heads	Budget 1907-08 Rs.	Revised 1907-08 Rs.	Accounts 1907-08 Rs.
32	Unclaimed Deposits	21	30	29
15	Dividends and Duties ...	13	28	17
20	Tolls	24	23	23
1	Fees for Government audit ...	...	...	...
18	Miscellaneous fees, fines and forfeitures	19	19	19
30	Miscellaneous sale-proceeds ...	29	31	31
34	Miscellaneous	31	29	31
1,50	Total ...	1,37	1,60	1,50

65. The improvement over the budget estimate was chiefly in the amount of unclaimed and lapsed deposits (8), a fluctuating head and in the receipts from *Dividends and Duties* (4) consequent on the larger production of cotton goods in the Mills.

The difference between the Revised and the actuals was due to a wrong credit under *Dividends and Duties* which was rectified in the final accounts.

Section E.—MISCELLANEOUS CIVIL CHARGES.

Expenditure.

Accounts 1906-07 Rs.	Budget 1907-08 Rs.	Revised 1907-08 Rs.	Accounts 1907-08 Rs.
49,51	49,02	48,64	48,94

66. The total expenditure of the year in this section has very well followed the Budget Estimate; but it has been less than the actuals of the previous year. There was considerable saving under *Miscellaneous* but it was counterbalanced by excess expenditure under *Superannuation Allowances and Pensions* and *Stationery and Printing*.

23. Allowances and Assignments under Treaties and Engagements.

Accounts 1906-07 Rs.	Minor Heads	Budget 1907-08 Rs.	Revised 1907-08 Rs.	Accounts 1907-08 Rs.
35,00	Subsidy to British Government ...	35,00	35,00	35,00
71	Political Pensions	74	74	73
13	Miscellaneous	13	13	13
35,84	Total ...	35,87	35,87	35,86

67. No remarks.

24. Superannuation Allowances and Pensions.

Accounts 1906-07 Rs.	Minor Heads	Budget 1907-08 Rs.	Revised 1907-08 Rs.	Accounts 1907-08 Rs.
5,26	Superannuation and Retired Allowances	5,70	6,00	6,10
3	Compassionate Allowances ...	2	3	2
11	Gratuities	10	11	10
5,40	Total ...	5,82	6,14	6,22

68. Compared with the estimate and the actuals of the previous year this expenditure shows excess of 40 and 82 respectively. The increase in both cases is under *Superannuation and Retired Allowances*. This estimate is prepared carefully according to the rules prescribed in Article 1517 of the Civil Account Code. But the rapid increase of pension charges year after year has rendered the task of estimating them a difficult one. Within a period of 8 years these charges have nearly doubled. The average yearly growth is more than 41 and the growth during each of the last two years has been no less than 83. It is desirable in the interests of the State that this rapid growth be enquired into and the causes which tend towards such growth be checked as far as possible.

In spite of the large increase anticipated in the Revised in regard to the charges on account of *Superannuation and Retired Allowances*, the actuals exceeded the revised by 10.

69. The following table shows the growth of pension charges during the last eight years

	Rs.
1900-01	3,31,862
1901-02	3,67,991
1902-03	3,69,967
1903-04	4,25,028
1904-05	4,21,598
1905-06	4,55,763
1906-07	5,39,976
1907-08	6,22,008

25. Stationery and Printing.

Accounts 1906-07 Rs.	Minor Heads	Budget 1907-08 Rs.	Revised 1907-08 Rs.	Accounts 1907-08 Rs.
99	Stationery Depot	98	99	97
91	Printing and Gazette Office ...	1,19	1,27	1,27
3	Branch Press at Mysore ...	3	3	3
...	Printing at private presses ...	...	...	...
1,93	Total ...	2,20	2,29	2,27

70. The charges under this head exceeded both the estimate and the previous actuals by 7 and 34 respectively. Compared with the estimate the excess was under *Printing and Gazette Office* and it was due partly to increased expenditure under piece-work establishment and partly to the deduction made on account of anticipated savings having proved higher.

As compared with the accounts of the previous year the increase was wholly under the same minor head *Printing and Gazette Office* due to the purchase of new machinery and type.

The Revised has been fairly accurate.

26. Miscellaneous.

Accounts 1906-07 Rs.	Minor Heads	Budget 1907-08 Rs.	Revised 1907-08 Rs.	Accounts 1907-08 Rs.
33	Travellers' bungalows, 1st and 2nd classes	36	32	32
37	Miscellaneous (General) ...	39	26	36
8	Loss by exchange	8	—3	—3
29	Reception of Important Personages	12	10	9
3,93	Contributions	2,32	2,32	2,40
40	Charities, Donations, etc. ...	1,00	50	50
4	Special and Unforeseen Charges ...	...	...	...
3	Irrigation Wells Establishment ...	3	3	3
82	Plague Charges	80	80	75
4	Bangalore City and Extensions ...		...	2
1	Refunds	3	1	12
6,34		5,13	4,31	4,56
...	Deduct;—Loss by Exchange transferred to 10. Charges against Mining Revenue... ...	...	—3	—3
6,34	Total ...	5,13	4,34	4,59

71. The actuals of the year showed a saving of 57 on the estimate and of 1,78 on the previous actuals. The important decreases as compared with the Budget occurred under *Loss by Exchange* (11) *Charities and Donations* (50) and *Plague charges* (5). Against these savings there was increased expenditure under *Contributions* (8) and *Refunds* (9). The saving under *Loss by Exchange* was due to the fall in the rate of exchange while that under *Charities and Donations* was the result of not utilising half the grant provided for the Bust and Additional Statue of His Highness the late Maharaja. The reductions effected in the Plague Establishment account for less expenditure under Plague charges. As regards *Contributions* and *Refunds*, the excess in the former case was caused by payment to the Bangalore City Municipality of the charges incurred in connection with the rebuilding of Patnulpet, Bangalore City, and in the latter case by a large refund of lapsed deposits.

The expenditure included under this head is mostly of a very uncertain character and varies from year to year, and its comparison with the previous year's outlay serves no useful purpose. The important variations may, however, be noticed. The decreases under *Loss by Exchange* (11) and *Plague Charges* (7) and the increase of 11 under *Refunds* were due to the causes already explained above. The charges under *Reception of Important Personages* depend upon the number and importance of the personages received and during the year under report it was less by 20. The head *Contributions* included in the previous year a large grant to the Mysore City Improvement Fund and the saving was somewhat diminished by the compensation paid to the Sringeri Jahgir for the abolition of the *halat* on supari. The small excess of 10 under *Charities, Donations*, etc., was owing to the comparatively smaller grant provided for in the previous year.

The Revised did not anticipate the payment, ordered by Government about the close of the year, to the Bangalore Municipality on account of charges incurred in connection with the rebuilding of the Patnulpet and the large refund of lapsed deposits.

SECTION EE.—MILITARY.

XX. Military.

Accounts 1906-07 Rs.	Minor Heads	Budget 1907-08 Rs.	Revised 1907-08 Rs.	Accounts 1907-08 Rs.
7	Military Proper	4	6	7
1	Store Department	...	1	3
20	Kunigal Farm	26	25	21
...	Hessarghatta and Nadamavinapura Farms	...	...	...
28	Total ...	30	32	31

72. The total receipts in this section compares well with the Budget Estimate and the actuals of the previous year. The small decrease under the *Kunigal Farm* as compared with the estimate was due to a fall in the Sale of foals, but it was more than made up by the increases under *Military Proper* and *Store Department.*

SECTION EE.—MILITARY.

27. Military.

Accounts 1906-07 Rs.	Minor Heads	Budget 1907-08 Rs.	Revised 1907-08 Rs.	Accounts 1907-08 Rs.
81	Head-quarters	80	80	80
3,67	Imperial Service Regiment ...	3,58	3,51	3,46
1,76	Local Service Regiment ...	1,71	1,68	1,66
56	Government Stud Farm, Kunigal...	59	51	52
...	Hessarghatta and Nadamavinapura Farms	...	...	...
2	Temporary Establishment for Transport Carts	2	2	2
2,19	Barr or Native Infantry ...	2,27	2,11	2,12
20	Miscellaneous Charges ...	20	16	17
2,35	Imperial Service Transport Corps	2,47	2,13	2,22
9	Military Stores	11	10	10
94	Superannuation and Retired allowances	1,01	95	83
1,05	Palace Military	1,00	1,00	1,00
13,64	Total ...	13,76	12,97	12,90

73. This expenditure was kept well within the year's grant. Compared with the estimate, there were savings under most of the minor heads. The decrease of 12 under *Imperial Service Regiment* was the result of savings partly in the pay and allowances of non-commissioned officers and savars and partly in the allowances paid for good conduct and compensation for dearness of gram and ragi; under *Local Service Regiment* the saving of 5 was due to less charges incurred for allowances and hospital and veterinary medicines; under *Government Stud Farm, Kunigal*, the saving of 7 was chiefly due to the non-utilisation of the grant for purchase of stock; under *Barr or Native Infantry*, the saving of 15 was in salaries and establishment. The *Imperial Service Transport Corps* showed a saving of 25 owing chiefly to the full sanctioned scale not having been entertained and partly also to the reduced expenditure under clothing charges, feed of ponies, etc. The less charges under *Superannuation and Retired allowances* (18) was probably due to a portion of the claim having been left in arrears.

As compared with the actuals of the previous year, there were savings under the same minor heads and such savings were due to (1) less charges under compensation for dearness of gram and ragi and cost of free kit, (2) the absence of any charge for marching order equipment and of the heavy payment in the previous year of arrear charges in connection with the feed and keep of ponies; (3) the debit of the Palace Military pensions to Palace

instead of to this head; and (4) the grant for Palace Military charges having been limited to one lakh against the previous system of allowing the actuals.

The actuals have closely followed the Revised except under *Superannuation and Retired Allowances.*

SECTION F.—FAMINE RELIEF AND INSURANCE:

Accounts 1906-07 Rs.	Budget 1907-08 Rs.	Revised 1907-08 Rs.	Accounts 1907-08 Rs.
2,00	2,00	2,00	2,00

74. No remarks.

28.—Famine Relief.

Accounts 1906-07 ...	...
Budget 1907-08 ...	...
Revised 1907-08 ...	...
Accounts 1907-08 ...	...

75. There was no expenditure under this head.

29.—Reduction or Avoidance of Debt.

Accounts 1906-07 ...	2,00
Budget 1907-08 ...	2,00
Revised 1907-08 ...	2,00
Accounts 1907-08 ...	2,00

76. This was a nominal charge the amount having been adjusted in the books to the credit of the Famine Insurance Fund.

SECTION H.—XXI. STATE RAILWAYS.

RECEIPTS.

Accounts 1906-07 Rs.		Budget 1907-08 Rs.	Revised 1907-08 Rs.	Accounts 1907-08 Rs.
	Gross Receipts—			
19,34	Mysore-Harihar Line	18,50	23,38	23,87
42	Mysore-Nanjangud	50	43	47
3,84	Bangalore-Hindupur	4,00	3,32	3,08
2,00	Kolar Gold Fields	1,75	2,11	2,12
1,33	Birur-Shimoga	1,50	1,45	1,40
26,93		26,25	30,69	30,94
	Deduct Working Expenses—			
11,59	Mysore-Harihar Line	12,07	16,24	14,83
25	Mysore-Nanjangud	36	29	29
2,17	Bangalore-Hindupur	2,14	2,19	1,87
1,32	Kolar Gold Fields	1,51	1,55	1,55
75	Birur-Shimoga	71	98	86
16,08		16,79	21,25	19,40
1,79	Surplus profit paid to Southern Mahratta Railway Company ½ share of net earnings of Mysore-Harihar Line.	1,53	1,53	2,12
17,87	Total deductions ...	18,32	22,78	21,52
	Net Receipts—			
5,96	Mysore-Harihar Line	4,90	5,61	6,92
17	Mysore-Nanjangud	14	14	18
1,67	Bangalore-Hindupur	1,86	1,13	1,21
68	Kolar Gold Fields	24	56	57
58	Birur-Shimoga	79	47	54
9,06	Total net receipts ...	7,93	7,91	9,42

77. The net receipts under this head proved better than the estimate by 1,49 and of the actuals of the previous year by 36, in spite of the large increase of 3,20 in the Working Expenses and in the Company's share of profits on one of the lines. This good result was mainly due to the improved traffic on, and the consequent large earnings of, the Mysore-Harihar Line. The increase on the Kolar Gold Fields line is probably due to an under estimate of receipts. The Bangalore-Hindupur and Birur-Shimoga Lines show a decline due to less traffic.

SECTION H.—30. STATE RAILWAYS REVENUE ACCOUNT.

EXPENDITURE.

Accounts 1906-07 Rs.		Budget 1907-08 Rs.	Revised 1907-08 Rs.	Accounts 1907-08 Rs.
	Interest on debt —			
7,11	Guaranteed Interest paid to the Southern Mahratta Railway Company	7,20	7,20	7,19

78. The actuals exceed the previous actuals by 8 and this excess was caused by the additional capital outlay incurred by the Company out of the balance of the loan raised by it for such expenditure.

The net result of the Railway Receipts and Charges show during the year as noted below a deficit of 2,23 against 65 of the year previous and this is due to the increased capital outlay incurred by Government during the year :—

Net receipts			9,42
Deduct—			
Interest charges	7,19		
Capital Outlay	4,46		
			11,65
Deficit ...			2,23

SECTION K.—PUBLIC WORKS.

RECEIPTS.

		Rs.
Accounts	... 1906-07	3,30
Budget	... 1907-08	3,71
Revised	... 1907-08	3,71
Accounts	... 1907-08	4,02

79. The improvement in this revenue over the estimate was due to a nominal credit of 30 on account of the Municipal and District Fund shares of contribution towards the maintenance of the Chamarajendra Water Works. This was taken in the estimate as a deduction from charges.

Compared with the previous actuals the excess was partly due to the above cause and partly to the larger sale of water to the Kolar Gold Mines.

SECTION J. & K.—PUBLIC WORKS.

EXPENDITURE.

Accounts 1906-07 Rs.	Major Heads	Budget 1907-08 Rs.	Revised 1907-08 Rs.	Accounts 1907-08 Rs.
	Irrigation—			
8,83	Major works	6,12	5,69	6,37
1,48	Minor works	2,01	2,07	1,76
10,31		8,13	7,76	8,13
	Other Public Works—			
21,03	Civil Works	20,24	20,48	19,52
27	Military Works	27	30	26
2,60	Construction of Railways	3,50	3,50	4,46
23,90		24,01	24,28	24,24
34,21	Total ...	32,14	32,04	32,37

80. This expenditure shows as compared with the estimate an excess of 23 and as compared with previous actuals a saving of 1,84.

The excess in the first case was the result of several variations in the details. Against the increase of 25 under *Irrigation Major works* caused by the charges connected with the preliminary investigation of a project for a large reservoir across the Cauvery near Belgola, there was a saving of a similar amount under *Irrigation Minor works* due to the non-payment of land compensation, late sanctions to estimates and difficulty in procuring labour. The lapse of 72 under *Civil works* was owing to (1) the non-receipt in time of certain door fittings ordered from England for the new Palace at Mysore, (2) the failure of the contractors to finish the Memorials at Calcutta, (3) the inability of the Department to start the work of the canopy over the statue of His Highness the late Maharaja of Mysore for want of suitable materials, and (4) the stoppage of the work of constructing the servants' quarters to the Government House at Mysore in consequence of certain deviations proposed by the Military Assistant.

The *Construction of Railways* showed a large excess of 96 owing to the unexpected increase in the proportionate share of the general store balance payable by the Mysore Government, and also to the execution of urgent capital works not provided for in the estimate.

As compared with the actuals of the previous year while there was a large decrease of 2,46 under *Irrigation Major works* and another 1,51 under *Civil works* the *Irrigation Minor works* and the *Railways* showed excesses of 28 and 1,86 respectively. This was due to the comparatively smaller programme of works during the year under the two former Major heads and to additional expenditure incurred under the two latter as explained above.

There is practically no data on which the revised estimate is based. In the Public Works Department the re-appropriations are made about the close of the year when the expenditure on works is generally heavy. As regards construction of Railways the difficulty is felt all the more since the expenditure is incurred by the Railway Company. Hence the Revised estimate is sometimes not a very close one.

Section L.—XXIII CAUVERY POWER SCHEME.

Receipts.

Accounts	... 1906-07	... ...	... 20,11
Budget	... 1907-08	... ...	... 16,00
Revised	... 1907-08	... ...	... 17,00
Accounts	... 1907-08	... ...	... 17,58

81. The receipts in this section exceeded the estimate by 1,58 but fell short of the actuals of the previous year by 2,53.

The increase in the former case was due to less remissions found necessary on account of stoppages of supply of power and partly to the increased supply. The decrease in the latter case was the result of the levy, in terms of the agreement with the Mining Companies, of only £ 10 per H. P. for the 1st Installation power from 6th August 1907 against £ 24 charged in the previous year.

Section L.—35 & 36 CAUVERY POWER SCHEME.

Expenditure.

Accounts 1906-07		Minor Heads.		Budget 1907-08	Revised 1907-08	Accounts 1907-08
Rs.				Rs.	Rs.	Rs.
	35.	Revenue Account—				
2,60		Working Expenses	... ...	3,21	3,09	2,57
11		Interest on Debt	... ...	70	65	62
1,33		Redemption of Loan	... ...	1,33	1,33	1,33
	36.	Capital Outlay—				
—19		I Installation	... ...	...	...	...
— 1		II Installation	... ...	...	...	—1
73		Bangalore Lighting and Power Supply	...	42	97	77
4,57		Total	...	5,66	6,04	5,28

82. The actuals were on the whole less than the estimate by 38.

There was a large lapse of 64 under *Working Expenses* due chiefly to the non-receipt in time of the stores ordered from abroad, to the adjustment by write back to the 3rd Installation of the Commission charges in connection with the 4 per cent State loan and to the fall in exchange.

The *Interest on Debt* charges also were less as the capital outlay on the 3rd Installation did not come up to the estimated figure. But these savings were to some extent set off by the increase of 35 under *Bangalore Lighting and Power Supply* due to the additional grant sanctioned during the year with a view to complete the Lighting works.

In the previous year there was a minus debit of 20 against the I and II Installations on account of value of surplus stores transferred therefrom. The absence of such debit during the year and the increase in the interest charges consequent on the increase in the outlay on the 3rd Installation, caused an excess of 72 over the actuals of the previous year.

SECTION N.—CAUVERY POWER SCHEME.

III. INSTALLATION CAPITAL NOT CHARGED TO REVENUE.

Accounts	1906-07	2,83
Budget	1907-08	13,94
Revised	,,	13,40
Accounts	,,	12,81

83. The lapse of 1,13 as compared with the estimate was owing to the late receipt of sanction to the purchase of copper wire for the 2nd line to Bangalore and also the late starting of the work of the Transmission Line to Mysore. The excess over the previous actuals was due to the work in connection with the 3rd Installation having been in full swing during the year.

SECTION M.—ADJUSTMENTS.

Receipts 1907-08				Expenditure 1907-08		
Budget	Revised	Accounts		Budget	Revised	Accounts
9,00	9,70	9,53	One anna cess for local purposes	9,00	9,70	9,52

The allotment to the several funds was as shown below :—

To Local Funds General	...	1,65
To District Funds	...	5,38
To Village School Fund	...	2,49
Total	...	9,52

SECTION O.—PERMANENT DEBT.

	Discharged
Budget 1907-08	2
Revised 1907-08	1
Accounts 1907-08	1

85. The small payment represents the claim in connection with the Mysore Railway Debenture Loan of 1882 met during the year.

SECTION P.—UNFUNDED DEBT.

	1907-08		
	Budget	Revised	Accounts
State Life Insurance Fund	+ 1,55	+ 1,85	+ 1,87
Savings Bank Deposits	+ 4,00	+ 7,00	+ 3,67
Endowments to charitable and Educational purposes	...	...	+ 70
Total	+ 5,55	+ 8,85	+ 6,24

86. The *State Life Insurance Fund* shows an increase over the estimate which is the combined effect of more receipts and less expenditure. As increased receipts of the Insurance Fund means increase in the risk and liability of the fund, the increased receipts must not be mistaken as profits. There is a falling off in the Savings Bank Deposits.

SECTION Q.—DEPOSITS AND ADVANCES.

	1907-08		
	Budget Rs.	Revised Rs.	Accounts Rs.
Credit	1,32,02	1,21,79	1,43,69
Debit	1,39,11	1,23,13	1,48,50
...	—7,09	— 1,34	—4,81

87. This group consists of a large number of items the estimates under most of which must be very rough. In these circumstances large variations must occur in the actuals. The increase of 2,28 in the net credit over the Budget Estimate is made up as follows:—

Palace Special Fund	+36
Local Funds General	+36
District Funds	+44
Irrigation Cess Fund	+46
Municipal Fund	+76
Miscellaneous Fund	+75
Civil Deposits	—1,67
Palace Deposits	—39
Personal Estate Accounts	+1,36
Advances Repayable	—58
Suspense Accounts	—44
Account current with Accountant-General, Madras	+75
Other small items	+12
Total ...	+2,28

SECTION R.—ADVANCES AND LOANS.

	1907-08		
	Budget	Revised	Accounts
Credit	1,45	2,19	2,39
Debit	2,15	6,83	7,46
Net ...	—70	—4,64	—5,07

88. There was a slight improvement in the recoveries from the Agricultural Banks in the Shimoga and Mysore Districts and of the arrears of the Land Improvement Loans. The actual amount advanced under the Land Improvement Loans Regulations was less than anticipated. The increase of 4,37 in the net debit was chiefly due to the payment of 5 lakhs to the Bikanir Durbar out of the loan of 12 lakhs agreed to be paid to that state.

89. The following is a statement showing the Demand, Collection and Balance of the several loans during the year under report:—

Loans	Demand			Collection			Balance	Amount of Loan advanced during the year
	Arrear Instalments	Current Instalments	Total	Arrear Instalments	Current Instalments	Total		
Encumbered Jahgirdars	66	16	82	2	9	11	71	1,25
Municipal Loans ...	3	8	11	...	7	7	4	8
Special Loans ...	11	2	13	2	2	4	9	5,00
Other Loans ...	6	3	9	...	3	3	6	...
Agricultural Banks ...	2,71	1,71	4,42	80	33	1,13	3,29	12

SECTION T.—REMITTANCES.

	1907-08		
	Budget Rs.	Revised Rs.	Accounts Rs.
Local Remittances and Adjustments	...	+4	—3
Miscellaneous Remittances	...	+30	+36
Local Bills	...	+12	+12
Departmental Remittances (Public Works) ...	...	—55	—65
Total ...	...	—9	—20

90. The figures entered in this group are the net result of a very large number of transactions and there is nothing special to record in respect of them.

SECTION U.—HIS MAJESTY'S TREASURY.

	1907-08		
	Budget	Revised	Accounts
Credits	37,00	42,16	42,16
Debits	37,10	42,32	42,32
	—10	—16	—16

91. This is an account with the Imperial Postal and Telegraph Departments and the transactions vary with the circumstances of each year.

SECTION. V.—CASH BALANCES.

	Budget Rs.	Accounts Rs.
Opening Balance on 1st July 1907—		
In Treasuries	35,30	35,30
In Madras Bank	59,32	59,32
With Messrs. Coutts & Co....	4,44	4,44
Total ...	99,06	99,06
Closing Balance on 30th June 1908—		
In Treasuries	30,00	37,82
In Madras Bank	59,50	67,51
With Messrs. Coutts & Co....	4,00	3,41
Total ...	93,50	108,74
Increase+, or decrease—, of balance on 30th June 1908	—5,56	+9,68

92. The net transactions of the year resulted in an increase of 9,68 in the cash balance and the important variations which brought about this result are as follows:—

		Increase Rs.	Reduction Rs.
Surplus—			
General Revenue	14,19		
Appropriation for repayment of Cauvery Power Scheme Capital	12,30		
Appropriation for Avoidance of Debt (Famine Reserve)	2,00		
Appropriation for Redemption of Loan ...	1,33		
	29,82		
Cauvery Power Scheme Capital not charged to Revenue			12,81
Life Insurance Fund		1,87	
Savings Banks Deposits		3,67	
Surplus Investment Account			11,71
Miscellaneous Funds		1,75	
Loans and Advances			5,07
Other variations		2,16	
Total ...		39,27	29,59
Net Increase		9,68	

93. Appendix A is the account of the Sinking Fund for repayment of the Southern Mahratta Railway Company's Sterling Loan of £ 1,200,000 for the year ended 31st March 1908, received from the Comptroller and Auditor-General, Calcutta. During the year the increase in the nominal value of Government Paper was Rs. 2,47,400 and the balance at the credit of the Fund on 31st March 1908 in both cash and Government Paper was Rs. 68,62,641-3-1.

BANGALORE,
23rd June 1909.

J. S. CHAKRAVARTI,
Comptroller.